

**IN THE UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

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In re:

Chapter 11

Sky Ventures, LLC

Case No. 14-42107-MER

Debtor.

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**NOTICE OF HEARING AND MOTION FOR ORDER UNDER  
11 U.S.C. §§ 105(a) AND 365(a) AND  
FED. R. BANKR. P. 6006 AUTHORIZING REJECTION OF  
UNEXPIRED LEASE OF NONRESIDENTIAL REAL PROPERTY  
WITH KANDI MALL 1999, LLC**

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**NOTICE OF HEARING:** The Court will hold a hearing on this Motion on July 15, 2014, at 10:00 AM in Courtroom 7 West, 300 S 4<sup>th</sup> Street, Minneapolis, Minnesota or as soon thereafter as counsel may be hear.

Any response to this Motion must be filed and served not later than July 10, 2014, with is five (5) days before the time set for the hearing (including Saturdays, Sundays and holidays). **UNLESS A RESPONSE OPPOSING THE MOTION IS TIMELY FILED, THE COURT MAY GRANT THE MOTION WITHOUT HEARING.**

**NOW INTO COURT**, through undersigned counsel, comes Sky Ventures, LLC, as debtor and debtor in possession (the “Debtor”), who files this *Motion for Order Under 11 U.S.C. §§ 105(a) and 365(a) and Fed. R. Bankr. P. 6006 Authorizing Rejection of Unexpired Lease of Nonresidential Real Property with Kandi Mall 1999, LLC* (the “Motion”) seeking authorization to reject the unexpired lease of nonresidential real property entered into with Kandi Mall 1999, LLC (the “Landlord”). In support of the Motion, the Debtor respectfully states as follows:

**JURISDICTION AND PROCEDURAL BACKGROUND**

1. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157

and 1334. This Motion concerns the administration of the Debtor's estate; and therefore, it is a core proceeding pursuant to 28 U.S.C. § 157(b). Venue is proper in this Court pursuant to 28 U.S.C. §§ 1408 and 1409. The statutory predicates for the relief requested herein are 11 U.S.C. § 105(a) and 365(a), and Fed. R. Bankr. P. 6006.

2. On May 14, 2014, (the "Petition Date"), the Debtor filed a voluntary petition under Chapter 11 of the United States Bankruptcy Code (the "Chapter 11 Case"). *See* Docket No. 1.

3. The Debtor continues to operate its business and manage its property as a debtor in possession, pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

#### **THE NONRESIDENTIAL LEASE AGREEMENT**

4. The Debtor is a party to a lease agreement (the "Lease") with Landlord with regard to property located in the City/Town of Willmar, State of Minnesota commonly known as 1605 South First, and more fully described on Exhibit "A" attached hereto (the "Rental Property").

5. The Debtor has made the determination that it no longer needs the Rental Property for operations. The Pizza Hut restaurant formerly operating at the Rental Property ceased being profitable and the Debtor closed the restaurant. The Debtor has determined that the continued occupation of the Rental Property is a burden. Prior to the Petition Date, the Debtor vacated the Rental Property and is no longer operating at that location.

#### **RELIEF REQUESTED AND AUTHORITY**

6. Section 365(a) of the Bankruptcy Code provides in relevant part that a debtor, "subject to the court's approval, may assume or reject any executory contract or unexpired lease of the debtor." Bankruptcy courts use the business judgment standard to determine

whether to approve a lease rejection. *See Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1309 (5th Cir. 1985) (quoting *Group of Institutional Investors v. Chicago, Milwaukee, St. Paul & Pac. R.R. Co.*, 318 U.S. 523, 550 (1943)) (“It is well established that ‘the question whether a lease should be rejected . . . is one of business judgment.’”); *In re Beare Co.*, 177 B.R. 879, 882 (Bankr. W.D.Tenn. 1994) (“In order for it to be assumed, an executory contract must benefit a debtor's bankruptcy estate, and the assumption of the contract must be an exercise of ‘reasonable business judgment.’”) (citations omitted)).

7. Through the rejection of the Lease, the Debtor will be relieved from paying the rent, as well as certain other attending expenses. Accordingly, by rejecting the Lease as of the Petition Date, the Debtor will avoid incurring unnecessary administrative charges that provide no tangible benefit to the Debtor's estate.

8. Debtor has determined through an exercise of its business judgment to reject the Lease, and that such rejection is in the best interest of the Debtor and other parties in interest. The Lease is financially burdensome and unnecessary to the Debtor's ongoing operations and business.

9. In the exercise of its sound business judgment, the Debtor seeks the authority to reject the Lease effective as of the Petition Date. *See In re Amber's Stores, Inc.*, 193 B.R. 819, 827 (Bankr. N.D. Tex. 1996) (“nothing precludes a bankruptcy court, based on the equities of the case, from approving the trustee's rejection of a non-residential real property lease retroactively to an earlier date.”); *In re Thinking Machs. Corp.*, 67 F.3d 1021, 1028-1029 (1st Cir. 1995) (acknowledging that a bankruptcy court “has the equitable power, in suitable cases, to order a rejection to operate retroactively”).

10. The equities weigh in favor of granting the relief requested with respect to the

Lease. Prior to the Petition Date, the Debtor closed the restaurant and de-identified the property. Furthermore, the Rental Property has not been of any value to the estate or creditors since the restaurant closed.

11. The Debtor requests that the Landlord be permitted to take immediate possession and control of the Rental Property and not be required to seek stay relief in order to possess, re-let, or in any way control the Rental Property. The Debtor contends that the fourteen (14) day stay set forth in B.R. 2004 and 2006 is inapplicable or otherwise deemed to be waived.

12. The Debtor requests that this court enter an order requiring any and all claims of the Landlord against the Debtor relating to the Lease to be filed within thirty (30) days following the date of entry of an Order granting the relief sought herein.

13. The Debtor seeks authority to pay in full the claims of all creditors who worked to de-identify the restaurant operated at the Rental Property (the "Lien Payoff"). The Debtor will effectuate the Lien Payoff by filing a separate motion and order within three (3) days after docketing of the Order granting the relief sought herein ("Rejection Order") seeking, among other things, to obtain funds from Pizza Hut, Inc. necessary to accomplish the Lien Payoff (the "Lien Payoff Motion"). The Debtor requests authority to complete the Lien Payoff within five (5) business days after docketing of the order accompanying the Lien Motion.

**WHEREFORE**, Sky Ventures, LLC respectfully requests that the Court enter an Order granting the relief requested in the Motion and for such other and further relief that may be just and proper.

Dated: June 27, 2014

LAPP, LIBRA, THOMSON, STOEENR  
& PUSCH, CHARTERED

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Minneapolis, MN 55402

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HELLER, DRAPER, PATRICK, HORN  
& DABNEY, L.L.C.

*/e/Douglas S. Draper*

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**Counsel for Debtor**

EXHIBIT A-2

Legal Description  
Kandi Mall, Willmar, Minnesota

That certain leasehold estate created under and by virtue of the Lease by and between Elizabeth Gesch, a single person, Esther Gesch, a single person, and Edward Gesch and Clara Gesch, husband and wife, as lessor, and the Ericson Development Co., Inc., as lessee, dated November 11, 1971 and recorded in Book 96, Page 88, of the Miscellaneous Records of Kandiyohi County, Minnesota, and by the Agreement to Amend Lease dated May 22, 1972 and recorded in Book 94, Page 221, aforesaid records, and as further amended by the Second Amendment to Lease by and between the aforesaid lessor and First Union Real Estate Equity and Mortgage Investments dated March 9, 1979, and recorded in Book \_\_\_\_\_, Page \_\_\_\_\_, aforesaid records all of which documents relate to that certain land located in Kandiyohi County, Minnesota, described as follows:

Parcel "A":

All that part of the NW  $\frac{1}{4}$  of Section 23, Township 119, Range 35, described as follows: Commencing at the Southwest corner of the NW  $\frac{1}{4}$  of said Section 23; thence on an assumed bearing of NORTH, along the West line of said NW  $\frac{1}{4}$ , a distance of 378.80 feet to the point of beginning of the tract herein described; thence continuing on a bearing of NORTH, along last said line, 941.20 feet; thence on a bearing EAST, 473.00 feet; thence on a bearing of NORTH, 150.00 feet; thence on a bearing of EAST, 602.00 feet; thence on a bearing of SOUTH, 1479.23 feet to the South line of said NW  $\frac{1}{4}$ ; thence on a bearing of N 89° 31' 30" W, along said South line, 770.03 feet to a point 305.00 feet East of the Southwest corner of said NW  $\frac{1}{4}$ ; thence on a bearing of NORTH, 378.00 feet; thence on a bearing of N 89° 31' 30" W, 305.01 feet to the point of beginning. Containing 32.11 acres, more or less.

Subject to the rights of the public in U.S. Hwy. #71 and 19th Avenue SE.

Parcel "B":

All that part of the NW  $\frac{1}{4}$  of Section 23, Township 119, Range 35, described as follows: Commencing at the Southwest corner of the NW  $\frac{1}{4}$  of said Section 23; thence on an assumed bearing of NORTH, along the West line of said NW  $\frac{1}{4}$ , a distance of 1,320.00 feet; thence on a bearing of EAST, 473.00 feet; thence on a bearing of NORTH, 150.00 feet to the point of beginning of the tract herein described; \* thence on a bearing EAST, 602.00 feet; thence on a bearing of SOUTH, 500.00 feet, thence on a bearing of WEST 602.00 feet to the point of beginning. Containing 6.91 acres, more or less.

Subject to a 30-foot sewer easement in Miscellaneous Book 51, Page 25.  
Subject to the rights of the public in 3rd Street SE, in Miscellaneous Book 116, Page 87.

\* thence on a bearing of NORTH, 500.00 feet;

Parcel "C":

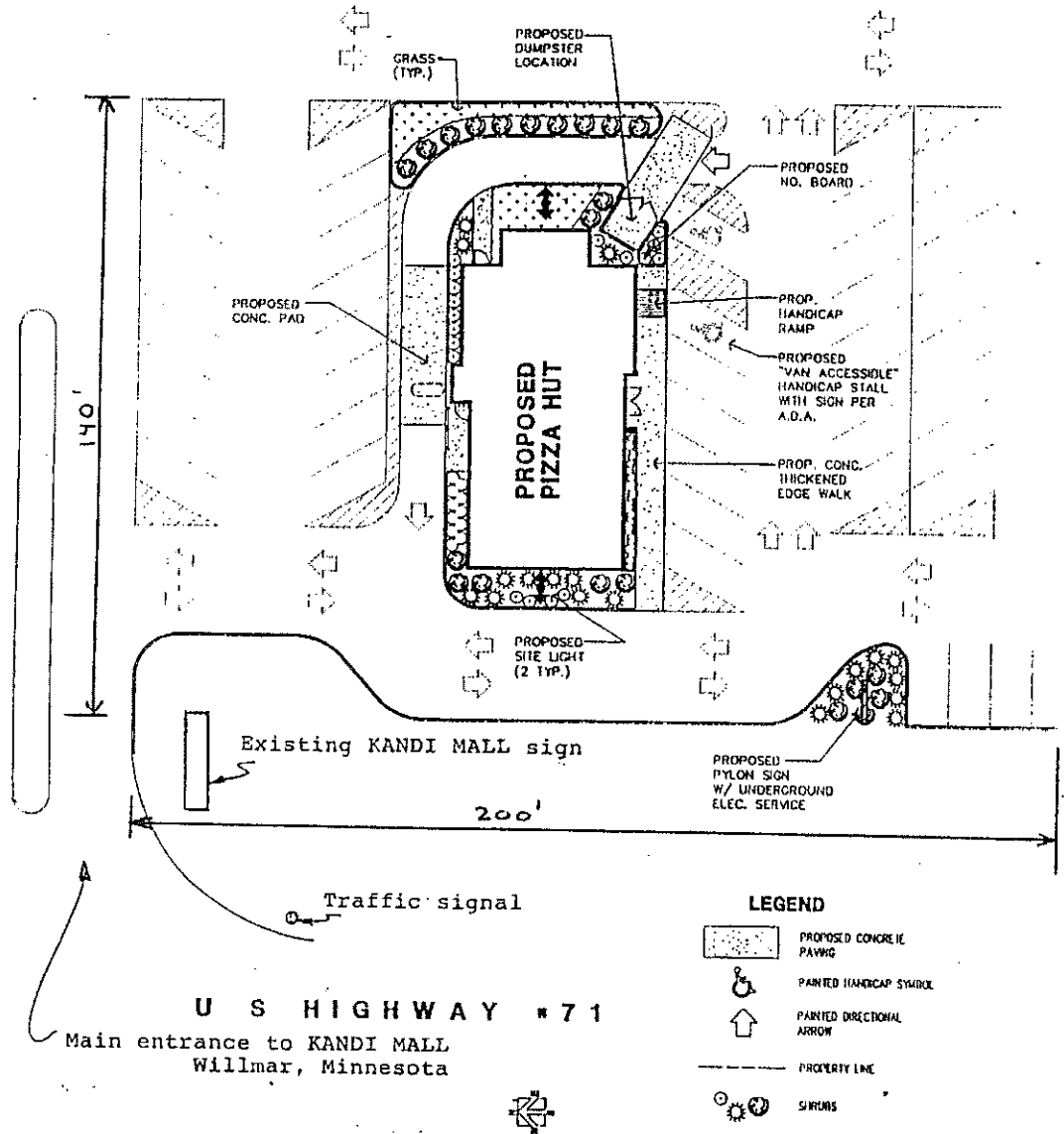
All that part of the NW  $\frac{1}{4}$  of Section 23, Township 119, Range 35, described as follows: Commencing at the Southwest corner of the NW  $\frac{1}{4}$  of said Section 23, thence on an assumed bearing of NORTH, along the West line of said NW  $\frac{1}{4}$ , a distance of 1,320.00 feet; thence on a bearing of EAST, 473.00 feet; thence on a bearing of NORTH, 650.00 feet; thence on a bearing of EAST, 602.00 feet to the point of beginning of the tract herein described; thence on a bearing of SOUTH 1,601.23 feet to the North line of the South 378.00 feet of said NW  $\frac{1}{4}$ ; thence on a bearing of S 89° 30' 30" E, along last said line, 571.00 feet to the center line of County Ditch #23A; thence on a bearing of N 14° 23' 10" W, along said centerline, 1,658.12 feet; thence on a bearing of WEST, 159.00 feet to the point of beginning. Containing 13.43 acres, more or less.

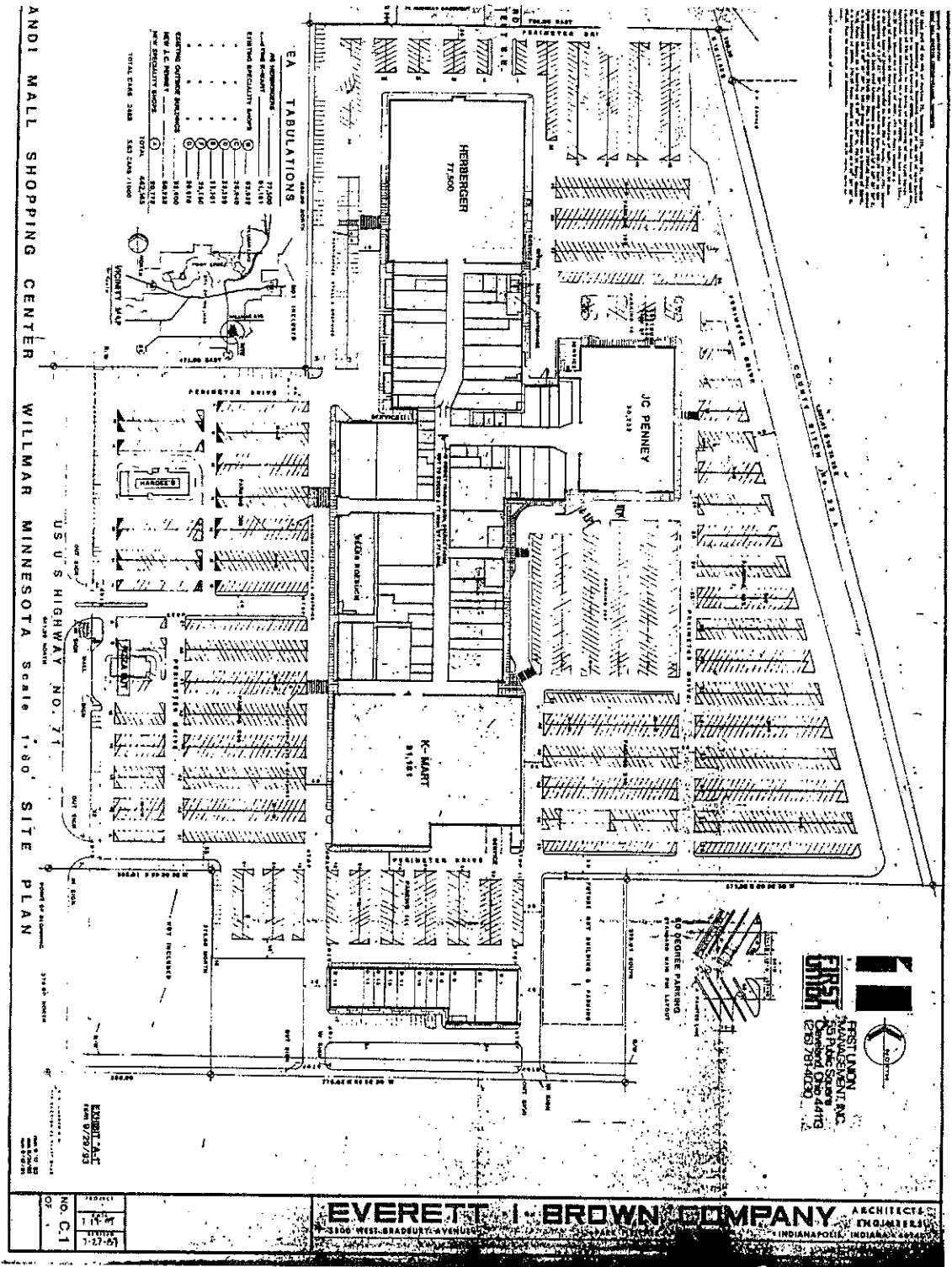
Subject to a 30-foot sewer easement in Miscellaneous Book 51, Page 25.  
Subject to a County Ditch easement.

401045

1  
2  
3

EXHIBIT "A"







**IN THE UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

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In re:

Chapter 11

Sky Ventures, LLC

Case No. 14-42107-MER

Debtor.

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**MEMORANDUM OF LAW IN SUPPORT OF  
MOTION FOR ORDER UNDER  
11 U.S.C. §§ 105(a) AND 365(a) AND  
FED. R. BANKR. P. 6006 AUTHORIZING REJECTION OF  
UNEXPIRED LEASE OF NONRESIDENTIAL REAL PROPERTY  
WITH KANDI MALL 1999, LLC**

---

**NOW INTO COURT**, through undersigned counsel, comes Sky Ventures, LLC, as debtor and debtor in possession (the “Debtor”), who submits this *Memorandum of Law in Support Motion for Order Under 11 U.S.C. §§ 105(a) and 365(a) and Fed. R. Bankr. P. 6006 Authorizing Rejection of Unexpired Lease of Nonresidential Real Property* (the “Motion”) with *Kandi Mall 1999, LLC* (“Landlord”) seeking authorization to reject the unexpired lease of nonresidential real property entered into with Landlord. A hearing is scheduled to consider this Motion on July 15, 2014 at 10:00 AM in Courtroom 7 West, 300 4<sup>th</sup> Street, Minneapolis, Minnesota.

**JURISDICTION AND PROCEDURAL BACKGROUND**

1. The jurisdiction, procedural history and factual background concerning the nonresidential lease agreement subject to the Debtor’s Motion and supporting this Memorandum is set forth in the attending Motion which may be supplemented by

testimony at the hearing.

### LEGAL ARGUMENT AND AUTHORITY

2. Section 365(a) of the Bankruptcy Code provides in relevant part that a debtor, “subject to the court’s approval, may assume or reject any executory contract or unexpired lease of the debtor.” Bankruptcy courts use the business judgment standard to determine whether to approve a lease rejection. *See Richmond Leasing Co. v. Capital Bank, N.A.*, 762 F.2d 1303, 1309 (5th Cir. 1985) (quoting *Group of Institutional Investors v. Chicago, Milwaukee, St. Paul & Pac. R.R. Co.*, 318 U.S. 523, 550 (1943)) (“It is well established that ‘the question whether a lease should be rejected . . . is one of business judgment.’”); *In re Beare Co.*, 177 B.R. 879, 882 (Bankr. W.D.Tenn. 1994) (“In order for it to be assumed, an executory contract must benefit a debtor’s bankruptcy estate, and the assumption of the contract must be an exercise of ‘reasonable business judgment.’”) (citations omitted)).

3. For the reasons delineated in the Motion, the Debtor has determined through an exercise of its business judgment to reject the Lease as described in the Motion, and that such rejection is in the best interest of the Debtor and other parties in interest. The Lease is financially burdensome and unnecessary to the Debtor’s ongoing operations and business.

**WHEREFORE**, Sky Ventures, LLC respectfully requests that the Court enter an Order granting the relief requested in the Motion and for such other and further relief that may be just and proper.

Dated: June 27, 2014

LAPP, LIBRA, THOMSON, STOEIBNER  
& PUSCH, CHARTERED

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HELLER, DRAPER, PATRICK, HORN  
& DABNEY, L.L.C.

*/e/Douglas S. Draper*

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**Counsel for Debtor**

**IN THE UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

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In re:	Chapter 11
Sky Ventures, LLC	Case No. 14-42107-MER
Debtor.	

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**UNSWORN CERTIFICATE OF SERVICE**

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I, Kelly V. Fritscher, declare under penalty of perjury that on June 27, 2014, I mailed copies of the following documents:

1. NOTICE OF HEARING AND MOTION FOR ORDER UNDER 11 U.S.C. §§ 105(a) AND 365(a) AND FED. R. BANKR. P. 6006 AUTHORIZING REJECTION OF UNEXPIRED LEASE OF NONRESIDENTIAL REAL PROPERTY WITH KANDI MALL 1999, LLC;
2. Memorandum of Law; and
3. (Proposed) Order

by first class mail postage prepaid to each entity named below at the address stated on the attached mailing matrix.

**VIA ELECTRONIC FILING:**

- Jason R. Asmus jasmus@briggs.com, kganske@briggs.com
- Daniel C. Beck dbeck@winthrop.com, tcooke@winthrop.com
- Greta M Brouphy , kfritscher@hellerdraper.com; lcollins@hellerdraper.com
- Michael R Fadlovich michael.fadlovich@usdoj.gov
- Craig S Ganz ganzc@ballardspahr.com, hessm@ballardspahr.com; phxdocketing@ballardspahr.com
- Benjamin Gurstelle bgurstelle@briggs.com, soneill@briggs.com
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- Ralph Mitchell rmitchell@laplibra.com, jpipp@laplibra.com

- Matthew H. Morgan morgan@nka.com, assistant@nka.com
- Jacob B. Sellers jsellers@winthrop.com, rtri@winthrop.com
- US Trustee ustpregion12.mn.ecf@usdoj.gov

**VIA FED EX:**

Kandi Mall 1999, LLC  
Kandi Mall Office  
1065 South First Street  
Wilmar, MN 56201

Dated: June 27, 2014

/e/ Kelly V. Fritscher

Kelly V. Fritscher, Senior Paralegal

Minneapolis  
301 U.S. Courthouse  
300 South Fourth Street  
Minneapolis, MN 55415-1320

Case 14-42107

New Hope, MN 55428-3614

Fri Jun 27 12:22:14 CDT 2014

A Plus Outdoor Services  
1551 164th Lane NE  
Ham Lake MN 55304-5428A+ SERVICES  
4481 N FRONTAGE RD  
ROCHESTER MN 55901-3236AARON POHJOLA DBA AP SERVICES OF DULUTH  
1806 W ARROWHEAD ROAD  
DULUTH MN 55811-2259ALPHA CONTAINER  
4180 160TH STREET E  
ROSEMOUNT MN 55068-2011Allied Waste Services  
9813 Flying Cloud Drive  
Eden Prairie MN 55347-4006Ameripride Linen & Apparel  
6500 Saukview Drive  
St. Cloud MN 56303-0804Amy Cavallin  
1640 Hwy 2  
Two Harbors MN 55616-4017Armor Security  
2601 Stevens Avenue South  
Minneapolis MN 55408-1635Arrowhead Water Conditioning  
1114 Cloquet Avenue  
Cloquet MN 55720-1620Asphalt Contractors Inc  
PO Box 1656  
Maple Grove MN 55311-6656BRIGGS AND MORGAN  
ATTN JASON R ASMUS  
80 S EIGHTH ST  
2200 IDS CTR  
MINNEAPOLIS MN 55402Bernick's - Pepsi of St. Cloud  
PO Box 7008  
St. Cloud MN 56302-7008Border Foods, Inc.  
5425 Boone Ave N  
New Hope MN 55428-3614Bryan Barth  
c/o Nichols Kaster, PLLP  
4600 IDS Ctr / 80 South 8th St  
Minneapolis MN 55402Business Music LTD  
PO Box 71070  
Charlotte NC 28272-1070Business Music LTD Inc  
PO Box 3013  
Duluth MN 55803-3013CARLSON REFRIGERATION  
602 OGDEN AVENUE  
SUPERIOR WI 54880-1013CRAIG S GANZ ESQ  
[REDACTED]  
[REDACTED]  
[REDACTED]CUSTOM CREATIONS REMODELING  
1321 ANDOVER BLVD STE 112  
ANDOVER MN 55304-2268Centerpoint Energy - 4671  
PO Box 1144  
Minneapolis MN 55440-1144Centurylink AZ  
PO Box 52187  
Phoenix AZ 85072-2187Cintas #754  
PO Box 88005  
Chicago IL 60680-1005City of Duluth Public Works  
PO Box 169008  
Duluth MN 55816-9002City of Sauk Rapids  
250 Summit Avenue North  
Sauk Rapids MN 56379-2516City of Woodbury - Utility  
8301 Valley Creek Road  
Woodbury MN 55125-2320Cloquet Sanitary Services  
1101 Industry Ave  
Cloquet MN 55720-9496Cozzini Bros. Inc.  
350 Howard Avenue  
Des Plaines IL 60018-1908

Cresco Times Plain Dealer  
214 N Elm Street  
PO Box 350  
Cresco IA 52136-0350

DECA  
DECA High School  
1640 Hwy 2  
Two Harbors MN 55616-4017

DELAGET LLC  
6200 MINERAL POINT RD  
SUITE 102  
MADISON WI 53705-4583

EVANS PUBLISHING LLC  
214 NORTH ELM ST  
CRESCO IA 52136-1522

Ecolab  
PO Box 100512  
Pasadena CA 91189-0512

Ecowater - Long Prairie  
22 2nd St N. Ste 1  
Long Prairie MN 56347-1254

Eric Goodman  
Baker Hsotetler  
PNC Center, 1900 E 9th St  
Ste 3200  
Cleveland, OH 44114-3482

GEOFF MICHAEL GROUP  
1713 AVOCET LANE  
MOUND MN 55364-1103

HYDRO RESTORATION  
50 GLEN EDGE RD  
DELLWOOD MN 55110-1418

Hansen Gravel  
1305 South Grade Rd  
Hutchinson MN 55350-9005

Hughes  
PO Box 96874  
Chicago IL 60693-6874

IPHFHA  
7829 E ROCKHILL STREET STE 201  
WICHITA KS 67206-3918

IPHFHA COOP  
7830 E Rockhill Street Ste 201  
Wichita KS 67206-3918

IPHFHA DMF  
Digital Marketing Fund  
7829 E Rockhill St Ste 201  
Wichita KS 67206-3918

IQ Apparel  
C/O Valley National Bank  
PO Box 54249  
Tulsa OK 74155-4249

(p)INTERNAL REVENUE SERVICE  
CENTRALIZED INSOLVENCY OPERATIONS  
PO BOX 7346  
PHILADELPHIA PA 19101-7346

Iowa Department of Revenue  
Sales and Use Tax  
1305 E Walnut, Hoover Bldg.  
Des Moines IA 50319

JANE E HEATH ESQ  
DUGGAN SMITH & HEATH LLP  
560 HIGUERA ST STE B  
SAN LUIS OBISPO CA 93401-3850

KFC  
ATTN PYMT PROCESSING  
PO BOX 116946  
ATLANTA GA 30368 6946

KFC NATIONAL COUNCIL & ADVERTISING COOP  
PO BOX 642474  
PITTSBURGH PA 15264-2474

KFC ROYALTY  
PO BOX 203805  
DALLAS TX 75320-3805

KFC UPPER MIDWEST ADV ASSOC  
ATTN: APRIL JOLLEY  
C/O AFA KRAUSE  
45 WEST 10000 SOUTH STE 201  
SANDY UT 84070-3638

KFC YRSG HIRING ZONE  
PO BOX 203805  
DALLAS TX 75320-3805

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Kandi Mall Office  
1065 South First Street  
Willmar MN 56201

Kandi Mall 1999, LLC  
Kandi Mall Office  
1065 South First Street  
Willmar MN 56201

LAKE REGION ELECTRIC  
4601 113TH AVENUE NE  
SPICER MN 56288-9460

LEGEND MECHANICAL  
12467 BOONE AVENUE STE 1  
SAVAGE MN 55378-1283

MACGILLIVRAY RANCH LLC  
225 LOS ROBLES  
TEMPLETON CA 93465-9002

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SAN FRANCISCO CA 94111-3612

MATTHEW H. MORGAN ESQ

METER ELECTRIC INC OF MARSHALL  
1004 W MAIN ST  
PO BOX 455  
MARSHALL MN 56258-0455

MN Department of Employment  
and Economic Development  
332 Minnesota Street  
St Paul, MN 55101-1351

MTG  
8555 123RD STREET WEST  
SAVAGE MN 55378-1150

McLane Foodservice, Inc.  
2085 Midway Road  
Carrollton TX 75006-5063

Mesabi Sign Co., Inc.  
116 1st St. North  
Virginia MN 55792-2502

Miles Warren  
c/o Nichols Kaster, PLLP  
4600 IDS Ctr / 80 South 8th St  
Minneapolis MN 55402

Minnesota Conway Fire and Safety  
575 Minnehaha Ave W  
St. Paul MN 55103-1573

Minnesota Dept of Revenue  
Sales and Use Tax  
600 North Robert Street  
Saint Paul MN 55101-2228

Minnesota Power & Light  
PO Box 1001  
Duluth MN 55806-1001

Minnesota Revenue  
PO Box 64651  
St Paul, MN 55164-0651

North American Electric  
Jeff Hendrickson  
6315 Long Lake Road  
Chisholm MN 55719-8062

One System POP  
PO Box 644361  
Pittsburgh PA 15264-4361

PAR TECH INC  
PO BOX 301175  
DALLAS TX 75303-1175

PEPSI 75948  
PO BOX 75948  
CHICAGO IL 60675-5948

PH Minnesota, LLC  
5425 Boone Ave N  
New Hope MN 55428-3614

PIZZA HUT C/O WILLIAM EVANOFF  
SIDLEY AUSTIN LLC  
1 S DEARBORN ST  
CHICAGO IL 60603-2323

PIZZA HUT INC ST LOUIS/YRSG  
PO BOX 955641  
ST LOUIS MO 63195-5641

PIZZA HUT OF AMERICA, INC.  
CO JOHN J. MURPHY  
7100 CORPORATE DRIVE  
PLANO TX 75024-4100

PIZZA HUT OF AMERICA, INC.,  
c/o JOHN J. MURPHY  
14841 DALLAS PARKWAY  
DALLAS TX 75254-7558

PRAXAIR DISTRIBUTION INC  
DEPT CH 10660  
PALATINE IL 60055-0660

Pinnacle Food Service Repair LLC  
735 S Ugstad Rd  
Proctor MN 55810-2450

QUIKORDER INC  
351 WEST HUBBARD STREET STE 501  
CHICAGO IL 60654-4498

ROYAL ROOFING  
PO BOX 248  
MONTICELLO MN 55362-0248

Restaurant Supply Chain Solutions  
PO Box 32033  
Louisville KY 40232-2033

SPIRIT MASTER FUNDING LLC  
ATTN COMPLIANCE DEPT  
16767 N PERIMETER DR STE 210  
SCOTTSDALE AZ 85260-1062

SPIRIT REALTY CAPITAL  
16767 N PERIMETER DRIVE  
SUITE 210  
SCOTTSDALE AZ 85260-1062

SRSI / Floyd Total Security  
9036 Grand Avenue S  
Bloomington MN 55420-3634

SUMMIT FACILITY & KITCHEN SERV LLC  
8818 7TH AVENUE N  
GOLDEN VALLEY MN 55427-4315



Shoes for Crews  
250 South Australian Ave  
West Palm Beach FL 33401-7437

Sky Ventures Real Estate, LLC  
5425 Boone Ave N  
New Hope MN 55428-3614

St Louis County Auditor  
100 N 5th Ave W  
Room 214  
Duluth, MN 55802-1287

Summit Facility & Kitchen Serv  
PO Box 1575 #159  
Minneapolis MN 55480-1575

Super 8 Alexandria  
4620 Hwy 29 South  
Alexandria MN 56308-2911

TACO BELL CORP PO BOX 116946  
ATTN PYMT PROCESSING  
PO BOX 116946  
ATLANTA GA 30368-6946

TH Contracting  
PO Box 5092  
Grand Rapids MN 55744-5092

TRUEX ELECTRIC  
PO BOX 346  
ROCKWELL IA 50469-0346

Tourism Tax - City of Duluth  
Treasurer's Office  
411 W. 1st St  
Duluth MN 55802-1188

Turf and Tree Inc  
32179 South Shoal Lake Road  
Grand Rapids MN 55744-4659

UFPC Parts Connection  
NW 5848  
PO Box 1450  
Minneapolis MN 55485-5848

UFPC SMALLWARES CONNECTION  
PO BOX 73184  
CLEVELAND OH 44193-0002

US Trustee  
1015 US Courthouse  
300 S 4th St  
Minneapolis, MN 55415-3070

United States Attorney  
District of Minnesota  
300 S 4th Street, Ste 600  
Minneapolis, MN 55415-2200

Wisconsin Dept. of Revenue  
Sales and Use Tax  
2135 Rimrock Road  
Madison WI 53713-1443

XCEL ENERGY - MPLS MN  
PO BOX 9477  
MINNEAPOLIS MN 55484-9477

Craig S Ganz

[REDACTED]

Daniel C. Beck

[REDACTED]

Douglas S Draper

[REDACTED]

Greta M Brouphy

[REDACTED]

Jacob B. Sellers

[REDACTED]

Leslie A Collins

[REDACTED]

Ralph Mitchell

[REDACTED]

Thomas C Geelan  
Farm & Home Services  
220 E State St  
Algona, IA 50511-2736

[REDACTED]

[REDACTED]

**IN THE UNITED STATES BANKRUPTCY COURT  
DISTRICT OF MINNESOTA**

In re:

Chapter 11

Sky Ventures, LLC

Case No. 14-42107-MER

Debtor.

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**ORDER REJECTING UNEXPIRED LEASE OF  
NONRESIDENTIAL REAL PROPERTY WITH KANDI MALL 1999, LLC**

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Considering Sky Ventures, LLC's (the "Debtor") *Motion for Order Under 11 U.S.C. §§ 105(a) and 365(a) and Fed. R. Bankr. P. 6006 Authorizing Rejection of Unexpired Lease of Nonresidential Real Property with Kandi Mall 1999, LLC* (the "Motion"), lack of objection to the motion, statements of counsel, and applicable law;

**IT IS ORDERED** that the Lease between Kandi Mall 1999, LLC ("Landlord") and Debtor for the property located in the City/Town of Willmar, State of Minnesota commonly known as 1605 South First, and more fully described on Exhibit "A" attached to the Motion ("Rental Property"), is rejected pursuant to 11 U.S.C. §365 as of May 14, 2014 (the "Petition Date");

**IT IS FURTHER ORDERED** that the Landlord shall be permitted to take immediate possession and control of the Rental Property and is not required to seek stay relief in order to possess, sell, re-let, or in any way control the Rental Property and the fourteen (14) day stay set forth in B.R. 2004 and 2006 is inapplicable or otherwise deemed to be waived;

**IT IS FURTHER ORDERED** that any and all claims of the Landlord against the Debtor relating to the rejection of the Lease be filed within thirty (30) days following the date of entry of

this order; and

**IT IS FURTHER ORDERED** that the Debtor shall pay in full the claims of all creditors who worked to de-identify the restaurant operated at the Rental Property (the “Lien Payoff”). To effectuate the Lien Payoff, the Debtor shall file a separate motion and order within three (3) days after docketing of this order seeking, among other things, to obtain funds from Pizza Hut, Inc. necessary to accomplish the Lien Payoff (the “Lien Payoff Motion”). Within five (5) business days after docketing of the order accompanying the Lien Motion, the Debtor shall complete the Lien Payoff.

Dated: \_\_\_\_\_, 2014

\_\_\_\_\_  
Judge of U.S. Bankruptcy Court